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United States Senate

WASHINGTON, DC 20510

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VIA FACSIMILIE AND U.S. MAIL
IMMEDIATE ATTENTION REQUESTED

The Honorable Kathleen Blanco
Governor, State of Louisiana
PO Box 94004
Baton Rouge, LA 70804

Dear Gov. Blanco:

I write today regarding a major issue hindering Louisiana's recovery – the snail's pace at which the state is reimbursing our parishes and municipalities for work outlined in Project Worksheets. I hope you will take whatever action necessary to get this money in the hands of our parish and city leaders quickly.

I have had many conversations with FEMA Director Dave Paulison and Chairman Don Powell, the Federal Coordinator of Gulf Coast Rebuilding, about the need for FEMA to speed up its approval process for these Project Worksheets at the federal level. I think we have made enormous progress there, but I will continue to stay on them until all the reimbursements have been processed. However, another aspect of this process that must be addressed immediately is improving the process of the state releasing the money to the local entities after FEMA provides the money to the state.

The latest numbers available show that FEMA has obligated more than \$4.5 billion to Louisiana for reimbursements to parish and local entities for both Katrina and Rita, representing approximately 72 percent of the total of Project Worksheet requests. However, the state of Louisiana has only released \$2 billion to the local entities, only 44 percent of the money from FEMA released to the state to pass on to the parishes and local governments. These numbers are shocking.

Among the Project Worksheets awaiting reimbursement from funds approved by FEMA but still sitting in Baton Rouge are projects to repair sewage and water systems, to restore firefighting infrastructure including a number of fire stations, to repair schools and universities, and many, many other vital items. Particularly disappointing and frustrating are some of the dismally low payouts from the state to some of the parishes most desperately in need of these reimbursements. Cameron Parish has only received 13 percent of the money released by FEMA to the state for Cameron's needs, Plaquemines Parish only 28 percent, St. Bernard only 40 percent, and Orleans only 37 percent.

Governor, clearly something has to be done immediately to overcome the red tape and bureaucracy in Baton Rouge regarding these reimbursements. I understand the need to ensure

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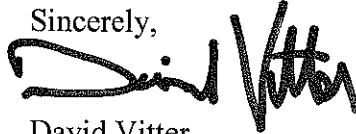
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that money obligated is properly reviewed and that we have proper oversight of how these funds are spent, but clearly something is awry with payout rates at these low numbers. With FEMA having provided almost \$60 million to the state in administrative allowances and management costs related to the storms, and with the state seeing record budget surpluses, surely there should be a way to hasten the pace of these reimbursements.

Please let me know what is being done to ensure that these dollars intended for our devastated parishes and municipalities get to them as soon as possible. State issues like this and the Road Home debacle make it much tougher to secure additional federal help.

I look forward to seeing these reimbursements quickly delivered to the local leaders who have been waiting so long for them. Thank you for your prompt attention to this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "David Vitter". The signature is stylized with a large, sweeping "D" and a prominent "V".

David Vitter
U.S. Senator